

July 14, 2010

ITEM NO. A1

APPROVAL OF REVISED 2010 COMPREHENSIVE BUDGET

To the Honorable Board of Commissioners

RECOMMENDATION

It is recommended that the Board of Commissioners approve and adopt the 2nd Quarter Revised 2010 Comprehensive Budget.

EXPLANATION

The Chicago Housing Authority is required to submit for approval by the Board, a balanced annual Comprehensive Budget detailing each of the following: General Fund, Section 8 Non-MTW, HOPE VI and Other Funding Programs, and the use for these funds.

The FY2010 budgeted expenditures have been revised from \$1,031,372,033 to \$983,016,147, resulting in a \$48,355,886 decrease. The major changes by funding source are explained below:

- **General Fund.** Total revenues and associated expenditures decreased by \$61,435,450 for a fund total of \$802,662,718. The reduction is due to changes in the cash flow schedule for various construction projects and costs savings related to ADA work, both at various sites and, less than anticipated costs per voucher for HAP.
- **Section 8 Non-MTW Fund.** Budget remained unchanged at \$7,875,729.
- **Hope VI.** Total revenues and associated expenditures decreased by \$8,004,161 for a fund total of \$41,884,424. The reduction is due to a change in the cash flow for both Rockwell Gardens and Park Boulevard Mixed Income properties.
- **Other Funding.** The total revenues and associated expenditures increased by \$21,083,725 for a fund total of \$130,593,276. This increase is primarily due to the use of additional American Recovery and Reinvestment Act Funds (ARRA) to fund Altgeld Phase IV and the creation of various summer jobs through awarded grants.

The estimated sum of all revenues for fiscal year 2010 and the amount of the fiscal year 2010 Fund Balance available for appropriation in the fiscal year is equal to the estimated sum of all expenditures to be made or incurred during the fiscal year and the amount of all unpaid liabilities at the beginning of the fiscal year 2010.

Based upon the foregoing, it is in the best interest of the Chicago Housing Authority to adopt the Revised 2010 Comprehensive Budget.

RESOLUTION NO. 2010-CHA-86

WHEREAS, the Board of Commissioners has reviewed the Board letter dated July 14, 2010, entitled "APPROVAL OF THE REVISED 2010 COMPREHENSIVE BUDGET";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached budget amendments, "THE FY2010 COMPREHENSIVE BUDGET AMENDMENT #2", and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

